

Overview

The Department of Parks and Recreation's (Parks) mission statement is: "Seattle Parks and Recreation will work with all citizens to be good stewards of our environment, and to provide safe and welcoming opportunities to play, learn, contemplate, and build community." Parks carries out this mission with a park system consisting of more than 430 parks and open areas totaling over 6,200 acres of property throughout the City, amounting to almost 11% of the City's land area. It includes approximately 488 buildings and 430 parks that feature 185 athletic fields, 130 children's play areas, 26 community centers, 151 outdoor tennis courts, 25 miles of boulevards, an indoor tennis center, two outdoor and eight indoor swimming pools, five golf courses, performing and visual arts studios, boat ramps, moorages, fishing piers, trails, camps, viewpoints, open spaces, a rock climbing site, a conservatory, a state-of-the-art zoo, a classical Japanese garden, and a waterfront aquarium.

2014-2019 CIP Highlights

The 2014 Proposed CIP includes \$37 million from a wide variety of funding sources: \$7.9 million from the 2008 Parks Levy; \$18 million in Real Estate Excise Tax (REET) revenue; \$3 million from the Cumulative Reserve Subfund; \$5.6 million in bond revenue to implement the Golf Master Plan; \$800,000 in federal Community Development Block Grant Funds; and \$1.6 million from the recently approved 2014 King County Parks Levy.

Asset management is a vital component of Parks' Capital Improvement Program. The 2014 Proposed CIP includes \$31.3 million for asset management with funding coming from REET, the 2008 Parks Levy, grants, and other sources. Asset management projects address basic infrastructure across the Parks system, such as electrical system replacement, environmental remediation, landscape restoration, synthetic ballfield replacement, irrigation system replacement, and replacing major roof and HVAC systems.

The 2014 Proposed CIP Budget includes \$2 million for the Urban Forestry-Green Seattle Partnership project (GSP) through a combination of REET funding (\$1.6 million) and 2008 Parks Levy funding (\$426,000). This combined funding will ensure that the program will be able to maintain current reforestation goals.

The Proposed CIP includes \$4 million over the next two years to renovate the South Leschi Moorage. This project may include replacing the pilings, floats, docks, electrical system, and related repairs within the existing moorage footprint/boundaries. Parks is forming a project advisory team to help shape the scope of the improvements which will be done in accordance with environmental and regulatory requirements.

Parks will continue to use federal Community Development Block Grant (CDBG) funds for the Seattle Conservation Corps. The Seattle Conservation Corps (SCC) executes Parks improvement projects in low to moderate-income neighborhoods while at the same time providing training and employment for formerly homeless adults. In 2014, the SCC will use \$808,000 in CDBG funds to improve approximately 25 parks.

Parks will use \$1 million in REET funds to remove architectural and material barriers that restrict the mobility and accessibility in public facilities in parks throughout the City to comply with the American's with Disabilities Act (ADA). A portion of this funding will be used to hire a new ADA capital projects coordinator who will focus on ADA compliance issues during the initial states of project funding, design and construction. The coordinator will also oversee accessibility improvements to existing Parks facilities.

2014-2019 Proposed Capital Improvement Program

Department of Parks and Recreation

In 2014, Parks will continue implementation of the Golf Master Plan which will provide major improvements at three City-owned golf courses (Jackson, Jefferson, and West Seattle), including building replacements, driving ranges, cart path improvements, and course and landscaping renovation. Future revenue from the golf courses will cover associated debt service payments. These improvements began in 2010 and will continue through 2015.

The 2014 Proposed CIP includes \$1.1 million of funding for major maintenance at the Seattle Aquarium as called for in the 2010 transition agreement between the City and the Aquarium. The agreement requires City funding of \$8 million of agreed-upon capital maintenance projects through 2015. Through a separate part of the agreement, the Aquarium reimburses the City for some of the debt service associated with replacing Pier 59 and redeveloping the Aquarium (\$1.6 million paid via CRS Unrestricted in 2014).

The 2008 Parks and Green Spaces Levy projects continue to comprise a significant portion of Parks CIP. Highlights to date include:

- Parks has completed eight neighborhood parks acquisitions, 15 green space acquisitions and two opportunity fund acquisitions totaling 11 acres. In addition, Parks has taken over ownership of 48.7 of acres of land from other City departments. Parks pays maintenance costs on these properties but incurred no costs for acquiring the properties.
- Parks has completed 42 of the 59 development projects; most of the remaining projects will be underway in 2014. The Seattle Department of Transportation manages the three trail projects.
- Parks' continued implementation of the environmental projects with restoration of forests, development of community gardens and increased shoreline access.

The levy allocated approximately \$20.6 million for Opportunity Fund projects through 2013. The first round of the Opportunity Fund included 13 development projects and two acquisitions. Two play field renovations were funded with savings from the Playfield sub-category and 17 major maintenance projects were funded with \$9.8 million in inflation reserves reallocated from the development category. The City Council approved the second round of the Opportunity Fund in August 2013. These appropriations total \$8 million and include 11 development and three acquisition projects.

Funding Sources

Funds for Parks' CIP come from a variety of sources, including three levies, real estate excise taxes, the Shoreline Park Improvement Fund, bond financing, and other special fund sources, grants, and private donations. The funding sources used to cover annual debt service vary depending on the projects being debt financed: golf revenues are used to repay all golf related debt; Aquarium revenues pay for a portion of the debt service on the bonds used to renovate Pier 59; revenue from Magnuson Park rentals is expected to pay most of the debt service for the renovations of Buildings 11 and 30; and the General Fund covers debt service for the rest of the Pier 59 bonds and on other Parks-related bond funds.

2008 Parks and Green Spaces Levy

The most recent levy is the 2008 Parks and Green Spaces Levy, which is a six-year \$145.5 million levy intended "to acquire, develop, or restore, existing or new, parks, recreation facilities, cultural facilities, green spaces, playfields, trails, community gardens, and shoreline areas." The levy package provides for acquisition of new parks and green space and for development and improvement of the various parks throughout the City. This includes renovation of 23 play areas, park development atop lidded reservoirs, renovation of several existing neighborhood and major parks, significant investments in the Langston Hughes Performing Arts Institute, and an environmental category to provide funding for the Green Seattle

2014-2019 Proposed Capital Improvement Program

Department of Parks and Recreation

Partnership, community gardens, trails, and improved shoreline access at street ends. An Opportunity Fund Category funds other community-identified projects. Through 2013, \$110 million has been appropriated from this Levy. The 2014 Proposed CIP Budget includes \$7.9 million of 2008 Levy Funds.

The City is working with the Seattle Art Museum and the 2008 Levy Oversight Committee to repurpose the \$9 million in 2008 Levy funds dedicated to renovating the Seattle Asian Art Museum in Volunteer Park. These funds require a match from private funds. Due to the Great Recession, the Seattle (Asian) Art Museum was unable raise matching funds. Once the City and the Seattle Art Museum reach an agreement, the funds will be used to address immediate major maintenance issues at other Parks facilities. The City will keep its commitment to funding the Seattle Asian Art Museum renovation at Volunteer Park in the future when private matching funds are available.

Real Estate Excise Tax (REET)

The main source of funding for Parks' capital improvement program is real estate excise tax (REET) revenue. Parks uses these funds primarily for asset management purposes such as boiler replacement, electrical system upgrades, small irrigation upgrades, ballfield improvements, roofing replacement, paving restoration, landscape and forest restoration, and others. Parks also uses the funds to replace of aging ball field lighting systems and certain Aquarium infrastructure projects.

LTGO Bond Financing

The 2014 Proposed CIP allocates \$5.6 million in bond funding to implement the Golf Master Plan. The Golf Master Plan will provide major improvements at three of the City-owned golf courses (Jackson, Jefferson and West Seattle), including a clubhouse building replacement, driving ranges, cart path improvements, and course and landscaping renovation. General obligation bonds will fund the projects and future revenue from the golf courses will cover associated debt service payments.

Summary of Upcoming Budget Issues and Challenges

The amount of funding available for ongoing asset management of the Seattle Parks system is inadequate to keep pace with the growth and aging of the system. The Parks Asset Management Plan identifies \$270 million in needed improvements over the next six years, much of which is a backlog due to deferred maintenance over the years. The park levies provided some reinvestment in park facilities, but many critical infrastructure needs, such as roofs and water and sewer systems, have gone unaddressed.

Several large assets are in need of attention but are beyond typical REET funding levels. Waterfront Park has deteriorated and load limits restrict its use. The metal reinforcement of the concrete promenade are seismically unsound (note: these are the platforms that previously formed the bridge abutment to Pier 57 at the south end and the area that supports the fountain and other spaces near the Aquarium adjacent Pier 59). Parks staff has proposed removing most of this structure and re-building areas adjacent to the Aquarium while also improving near shore marine habitat. The Seawall Bond issue includes partial funding for renovating Piers 62 and 63, which deteriorated to the point that the popular Summer Nights on the Pier concert series were cancelled after the 2004 season.

The multiple large and aging buildings at Magnuson Park were once part of the Sand Point Naval Air Station, and they represent an ongoing challenge for Parks. Tenants occupy several buildings while other building space remains empty. The Seattle Conservation Corps uses only a small part of Building 2 while the two large hangars are empty. Parks is working to stabilize Building 18 in 2013 but the building is currently empty; Parks would need additional funding to make the renovations needed for re-use of the building. Several tenants occupy Building 138, but it is in deteriorated condition. Parks would need over \$38 million to address code deficiencies in these buildings.

Project Selection Criteria

Parks' project selection process for the capital improvement program uses two approaches. First, for the various levy projects, projects are implemented as described in the ballot measure. In most cases, the project scope and budget have been determined during the planning for the ballot measure but in some cases allowances are made that allow for choices to be made within a programmatic direction. An example of this includes the current levy's allowance for acquisition of neighborhood park sites in urban villages that are deficient in open space. Second, Parks uses the Asset Management Plan to identify needed capital improvement projects that are funding by CRS.

The Parks Asset Management Plan (AMP) is a compendium of projects to address facility needs. Parks identifies projects through ongoing condition assessments, consultant studies, six-year facility plans, work order analyses (to identify key problem areas), and intradepartmental information sharing of facility maintenance issues and needs. Every two years, Parks reviews and updates the AMP. While Parks planning staff prepares and coordinates the Asset Management Planning process, they work collaboratively with staff throughout the department to develop project scopes and budget estimates.

Typically, all of the projects included in the asset management plan are scored and ranked with the six overarching criteria that most closely match the need for the project. Parks uses the following six criteria to rank the projects:

Priority 1 – Code Requirements (100 points) The project brings a facility or element up to federal, state, and Seattle code requirements (such as ADA, water quality, fire suppression, and seismic), or meets other legal requirements. (Note: Projects that primarily are ADA-focused fall under this priority. ADA elements will be completed as part of projects that fall under other priorities.)

Priority 2 – Life Safety (35 points) The project will eliminate a condition that poses an imminent threat of injury. Examples of safety hazards are lack of seismic elements, failing piling, outdated play equipment, emergency management, or a documented environmental health hazard.

Priority 3 – Facility Integrity (30/25/20 points) The project will keep the facility operational and extend its life cycle by repairing, replacing, and renovating systems and elements of the facility, including building envelope (roof, walls, windows), electrical, plumbing, storm and sewer line replacement, and synthetic turf replacement.

30 points: Extends life cycle, high usage/heavily programmed, underserved area, community center, emergency shelters.

25 points: Extends life cycle, high usage/programmed.

20 points: Extends life cycle.

Priority 4 – Improve Operating Efficiency (25 points) The project will result in the reduction of operating and maintenance costs, including energy and water savings.

Priority 5 – Other (5 Points) Projects that have a unique element (e.g., leverage other funds) and/or are known needs that do not fit the other priorities.

Priority 6 – Project Necessary in Next Biennium (5 points) Projects identified in plans and other documents that require being done in the upcoming biennium (e.g., scheduled synthetic turf replacement or regulatory deadlines).

Anticipated Operating Expenses Associated with Capital Facilities Projects

As part of the CIP budget process, Parks identifies operating and maintenance (O&M) costs for new facilities. When Parks proposes new projects in the CIP, operations staff develop the associated O&M costs. Parks adds the O&M costs to the operating budget through the budget development process for projects expected to be completed in the upcoming budget cycle. The amount and timing of these O&M costs change as project scopes and schedules change. Examples of projects with O&M expenses incorporated into the 2014 operating budget include Maple Leaf Reservoir Park Development, Montlake Playfield Play Area Renovation, and West Seattle Reservoir Development.